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7 *Attorneys for Mark D. Waldron, Chapter 11 Trustee*

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**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON**

In re:

GIGA WATT, Inc., a Washington
corporation,

Debtor.

Case No. 18-03197

The Honorable Frederick P. Corbit

Chapter 11

**DECLARATION OF MARK D.
WALDRON IN SUPPORT OF
CHAPTER 11 TRUSTEE'S
OBJECTION TO AMENDED
MOTION FOR RELIEF FROM
AUTOMATIC STAY;
ABANDONMENT OF PROPERTY
OF THE ESTATE; WAIVER OF
FRBP 4001(a)(3)**

I, Mark D. Waldron, declare as follows:

1. I submit this declaration in my capacity as the duly-appointed Chapter 11 Trustee in the bankruptcy case of the above-captioned debtor (the "**Debtor**" or "**Giga Watt**") and in support of the *Chapter 11 Trustee's Objection to Amended Motion for Relief From Automatic Stay; Abandonment of Property of*

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1 *the Estate; Waiver of FRBP 4001(a)(3) the “**Motion**”), filed herewith. The*
2 *statements set forth herein are based on my investigation of the Debtor’s affairs,*
3 *which is ongoing, and, except where otherwise noted, are based on personal*
4 *knowledge. If called as a witness, I would and could competently testify thereto.*
5 *Unless otherwise defined herein, capitalized terms have the meanings ascribed to*
6 *them in the Objection.*

7 2. I am engaged in active efforts to sell the Debtor’s personal property,
8 both affixed and not affixed, (the “**Pangborn Equipment**”) located on the Port’s
9 real property (the “**Premises**”), subject to Court approval. I am also in discussion
10 with IronPlanet/Ritchie Brothers, highly experienced equipment auctioneers, to
11 retain them to sell the Pangborn Equipment, subject to Court approval.
12 IronPlanet/Ritchie Brothers has reviewed the Pangborn Equipment and has
13 informed me that the Pangborn Equipment may have an estimated worth of
14 between \$1 million and \$2 million.

15 3. In addition, I am in active discussions with a potential purchaser of
16 the Pangborn Equipment, Griid Infrastructure of Greenwich, Connecticut. The
17 electrical engineer for Griid Infrastructure is scheduled to examine the Pangborn
18 Equipment in person with the Trustee’s consultant, Lauren Mieke, on Tuesday,
19 March 3, 2020.

20 4. Months ago, I offered to sell the Pangborn Equipment jointly with the
21 Port, to cooperate with the Port and to divide the sale proceeds in appropriate
22 fashion, subject to Court approval. The Pangborn Equipment, while valuable, is

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1 also highly specialized. It took considerable effort to find the right professional,
2 IronPlanet, and a serious buyer, Grid Infrastructure. Further, it would have cost
3 the estate \$18,000 approximately to move the Pangborn Equipment and the estate
4 has insufficient space to store such specialized equipment.

5 5. On March 9, 2017, the Port and Giga Watt, Inc. ("Giga Watt")
6 executed that certain *Land Lease for Portion of Pangborn Airport business Park*
7 *East Wenatchee, Washington* (the "Lease") pursuant to which Giga Watt leased
8 from the Port approximately 7.9 acres of real property defined in the Lease as the
9 Premises. On August 15, 2017, the Port and Giga Watt signed that certain
10 *Addendum to Lease Agreement Pangborn Airport Business Park East Wenatchee,*
11 *Washington* (the "Addendum"), which modified certain terms of the Lease. A
12 true and correct copy of the Lease and Addendum is attached to the Objection as
13 Exhibit A.

14 6. The Lease was a triple-net lease. Pursuant to the Lease, Giga Watt
15 provided a cash deposit to the Port of \$350,000.

16 7. A true and correct copy of the Verified Complaint is attached to the
17 Objection as Exhibit B.

18 [*This Declaration continues on the next page.*]
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24 Amended Motion for Relief From Automatic Stay, etc. - Page 3
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1 8. Based on my investigation, Giga Watt is not liable under the CERB
2 loan that is described in the Motion.

3 To the best of my knowledge, I declare under penalty of perjury that the
4 foregoing is true and correct.

5 Executed this 28th day of February 2020 in Tacoma, Washington.

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8 Mark D. Waldron, in his official capacity as
9 Chapter 11 Trustee in the above-captioned
10 case